

## Appendix B: Questions to be Considered on Forming an Organic Commission

Elements to be defined when forming a commission and assuming specified definitions...	Could an organic commission be formed under RCW 15.65?	Could an organic commission be formed under RCW 15.66?	Could an organic commission be established under SB 6246?	If an organic commission is established under a separate statute, what elements must be defined?
<b>Commodity(ies) a Commission will cover</b>	<b>Covers one agricultural commodity<sup>1</sup></b>	<b>Covers one agricultural commodity<sup>1</sup> - Prohibits a marketing order for apples, soft tree fruits or dairy products</b>	<b>All “<i>organic food</i>” to be covered by one commission<sup>2</sup>.</b>	<b>Define commodity(ies) that would be affected by a commission structure</b>
A. If commission encompasses all commodities	No	No	The Senate bill is unclear on this issue	Define commodities affected by a commission structure
B. If commission encompasses multiple commodities with like or common qualities or producers	Yes – if treated as one agricultural commodity (organic food product)	Yes <sup>3</sup>	The Senate bill is unclear on this issue	Define multiple commodities with like or common qualities or producers that would be affected by a commission structure
C. If commission encompasses a single commodity	Yes	Yes	The Senate bill is unclear on this issue	Define a commodity that would be affected by a commission structure
<b>Would an agricultural commodity(ies) include raw commodities or both raw and processed commodities?</b>	<b>Covers an agricultural commodity produced as a raw product. Does not apply to any person engaged in canning, freezing, pressing or dehydrating of fresh fruit or vegetable, or any person engaged in the growing of</b>	<b>Covers an agricultural commodity produced as a raw product.</b>	<b>The definition of “<i>organic food</i>” includes agricultural products as defined under RCW 15.86.020(2) which can include both raw and processed products <sup>4</sup></b>	<b>Define whether the commodity(ies) include raw or both raw and processed food</b>

1 Legislative intent in RCW 15.66.015(3) and RCW 15.65.028(3) “...that each agricultural commodity be promoted individually, and as part of a comprehensive industry...”

2 SB 6246’s intent appears to be one Organic Commission covering all organic food. Because the bill was patterned after the enabling statute RCW 15.66, language is incorporated that is confusing.

3 One commodity commission may administer marketing orders for two or more affected commodities. RCW 15.66.100

4 RCW 15.86.020(2) "Organic food" means any agricultural product, including meat, dairy, and beverage, that is marketed using the term organic or any derivative of organic, other than the phrase "transition to organic food," in its labeling or advertising.

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	peas.			
A. If the commodity is raw	Yes	Yes – except for apples, soft tree fruits or dairy products	Yes	Define the raw commodity(ies) to be covered under a commission structure
B. If the commodity is both raw and processed	No	No	Yes	Define the raw and processed commodities or products to be covered under a commission structure
Purposes of a Commodity Commission?	<ul style="list-style-type: none"> <li>• Advertising and sales promotion</li> <li>• Carrying on research studies</li> <li>• Improving standards and grades by defining, establishing, and providing labeling requirements</li> <li>• Investigate and take action to prevent unfair trade practices</li> <li>• Provide information or communicate on matters in WA state to any elected official or officer or employee of any agency</li> <li>• Provide marketing information and services for producers</li> <li>• Provide information and services for meeting resource conservation objectives of producers</li> <li>• Provide for commodity-</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising and sales promotion</li> <li>• Carrying on research studies</li> <li>• Improving standards and grades by defining, establishing, and providing labeling requirements</li> <li>• Investigate and take action to prevent unfair trade practices</li> <li>• Provide information or communicate on matters in WA state to any elected official or officer or employee of any agency</li> <li>• Provide marketing information and services for producers</li> <li>• Provide information and services for meeting resource conservation objectives of producers</li> <li>• Provide for commodity-</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising and sales promotion</li> <li>• Carrying on research studies</li> <li>• Improving standards and grades by defining, establishing, and providing labeling requirements</li> <li>• Investigate and take action to prevent unfair trade practices</li> </ul>	Define purposes of the Commission

Elements to be defined when forming a commission and assuming specified definitions...	Could an organic commission be formed under RCW 15.65?	Could an organic commission be formed under RCW 15.66?	Could an organic commission be established under SB 6246?	If an organic commission is established under a separate statute, what elements must be defined?
	related education and training.	related education and training.		
Unknown at this time	--	--	--	Define the purposes of a commission
<b>Who administers the Commission?</b>	<b>Producers <u>or</u> handlers <u>or</u> both</b>	<b>Producers or producers and other persons</b>	<b>Producers of “<i>organic food</i>” as defined under RCW 15.86.020(2)</b>	<b>Define whether the Commission is administered by producers or both producers and handlers and others</b>
A. If the commission is administered by producers	Yes	Yes	The Senate bill is unclear on this issue	Define producer board member representation on a commission
B. If the commission is administered by producers and handlers	Yes	Yes	The Senate bill is unclear on this issue	Define producer and handler board member representation on a commission
<b>What are the qualifications of the producer or handler members of a commission board?</b>	<b>Board members:</b> <ul style="list-style-type: none"> <li>▪ A practical producer or handler of the affected commodity (whichever is applicable)</li> <li>▪ A citizen and resident of this state</li> <li>▪ Over the age of 18 years</li> <li>▪ Derive a substantial portion of his or her income as a producer or handler for 5 years (whichever is applicable)</li> <li>▪ Producers must be engaged in producing the affected commodity within the state of</li> </ul>	<b>Board members:</b> <ul style="list-style-type: none"> <li>▪ Citizens and residents of this state if required by the marketing order</li> <li>▪ Over the age of 18 years</li> <li>▪ Others appointed by the commission</li> </ul>	<b>Board members:</b> <ul style="list-style-type: none"> <li>▪ Citizens and residents of this state</li> <li>▪ Over the age of 21 years</li> </ul>	<b>Define the qualifications of board members on a commission</b>

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	<p>Washington for a period of 5 years</p> <ul style="list-style-type: none"> <li>Producers must not be engaged in business, directly or indirectly, as a handler or other dealer.</li> <li>A handler either individually or as an officer or employee of a corporation, firm, partnership, association, or cooperative must be engaged in handling the commodity within the state of Washington for a period of 5 years</li> </ul>			
Qualifications similar to existing commissions	Yes	Yes	Yes	Define the qualifications of the board members on a commission
How is representation on a commission determined?	Elected <u>or</u> director appoints 2/3 membership based on advisory vote and 1/3 elected; and director appoints one representative	2/3 membership elected, 1/3 appointed by elected producers, <u>or</u> director appoints 2/3 membership based on advisory vote and 1/3 elected; and director appoints one representative	2/3 membership elected, 1/3 appointed by elected producers, and director appoints one representative	Define the methods and procedures for members appointed or elected to the board.
Similar to existing commissions	Yes	Yes	Yes	Define the methods and procedures of representation on a commission's board

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<b>Whom does the Commission assess?</b>	<b>Allows for levying an assessment on all producers or handlers or both</b>	<b>Allows for levying an assessment on all producers</b>	<b>Allows for levying an assessment on producers of “<i>organic food</i>” as defined under RCW 15.86.020(2)</b>	<b>Define who is assessed by a commission</b>
A. If producers only are assessed	Yes	Yes	The Senate bill is unclear on this issue	Define that producers are assessed under the structure of a commission.
B. If handlers only are assessed	Yes	No	No	Define that handlers are assessed under the structure of a commission.
C. If producers and handlers are assessed	No	No	The Senate bill is unclear on this issue	Define that producers and handlers are assessed under the structure of a commission.
<b>On what is the assessment based?</b>	<b>Assessment based on stated amount per unit or percentage of the receipt price at first point of sale</b>	<b>Assessment based on stated amount per unit or percentage of the receipt price at first point of sale</b>	<b>Assessment would be based on percent of sales at the first point of sale</b>	<b>Define assessment amount to be levied by a commission including the unit on which an assessment is based.</b>
A. Stated amount per unit at the first point of sale	Yes	Yes	No	Define unit on which the assessment is based and the amount to be levied by a commission
B. Percentage of the receipt price at the first point of sale	Yes	Yes	Yes	Define the percentage on which the assessment is based and the amount to be levied by a commission
<b>On what is assent determined for the establishment of a commission?</b>	<b>Assent in a referendum is based on a list containing the names, addresses, amount by unit of the affected commodity produced in a designated</b>	<b>Assent in a referendum is based on a list containing the names, addresses, amount by unit of the affected commodity produced in a designated</b>	<b>Assent in a referendum is based on a list containing the names, mailing address, and the yearly average fees paid under RCW 15.86.070 by the producer of organic</b>	<b>Define the methods and procedures for assent when establishing a commission</b>

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	period for producers or affected commodity handled in a designated period for handlers	period for producers	food in the three preceding years or in such lesser time	
A. When a commission is established by a marketing order adopted by the Director, assent is based on the list of affected producers or handlers whichever is applicable	Yes	Yes	The proposed Senate bill is unclear. Assent is determined by the amount of assessment paid and number of producers, however the list on which assent is determined contains the yearly average fees paid	Define the methods and procedures for assent when establishing a commission
B. When a commission is established in statute	No	No	No	Upon passage of the statute or define procedures for implementing a commission
<b>Would a commission be geographic based or commodity based?</b>	<b>Geographic based</b>	<b>Geographic based</b>	<b>Geographic based, however, if the commission represents all organic foods, geographic based could not be applied</b>	<b>Define whether the Commission covers a single commodity, or similar and like commodities, or all commodities and the affected area under the Commission structure</b>
A. Geographic based	Yes	Yes	The Senate bill is confusing on this issue	Define the affected area for an agricultural commodity covered by a commission which may include districts or subdivisions
B. Commodity based	No	No	The Senate bill is confusing on this issue	Define the affected area covered by a commission as well as all commodities covered by the commission
<b>Other Issues:</b>				

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Assessments	Does not address exemptions when more than one commission is established for the same agricultural commodity.	Does not address exemptions when more than one commission is established for the same agricultural commodity.	Exempts organic food from assessments levied by other established commissions	Define provisions on assessments when more than one commission is established for the same agricultural commodity.  Define whether assessments apply to production, or processing, or either production and processing, or both production and processing.
Limitation of the annual assessment to be paid by all producers and/or handlers	Shall not exceed 4 percent of the total market value of all affected units stored in frozen condition or sold or marketed or delivered for sale or marketing by all producers of such units during the year to which the assessment applies	Shall not exceed 3 percent of the total market value of all affected units sold, processed, stored or delivered for sale, processing or storage by all affected producers of such units during the year to which the assessment applies	Shall not exceed 1 percent of the total market value of all affected units sold, processed, stored, or delivered for sale, processing, or storage by all affected producers of such units during the year to which the assessment applies	Define limitations on assessments.
2002 Commodity Commission Legislation	Passed	Passed	Review of Senate bill to incorporate changes made to RCW 15.66 and RCW 15.65 in the 2002 Legislature	Incorporate similar language adopted in the 2002 Commodity Commission legislation